SECURITY INFORMATION

HOMA

15 May 1952

Chief, SR Chief, EE Chief of Station, Frankfurt

REDSOX/CAPSTAN

Transmittal of Progress Report.

Transmitted herewith is the CAPSTAN Progress Report, covering the period 1 December 1951-30 April 1952.

Approved:

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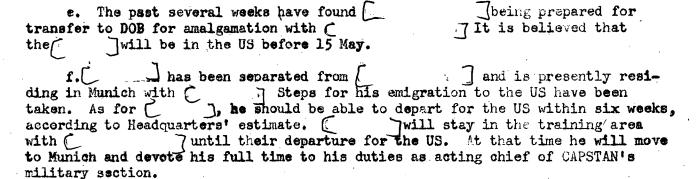
COMBINED PROGRESS REPORT #9 through #8 1 December 1951-30 April 1952

- 1. CAPSTAN.
- 2. Indefinite.
- 3. Organizational.
- a. During this period there has been much consideration and planning concerning the establishment of an enlarged CAPSTAN military section. In anticipation of such a section, CAPSTAN removed from his position as military section chief and appointed in his stead. However, in view of instructions from Headquarters, departure of from the US for Germany has been postponed pending outcome of CAPSTAN-I negotiations regarding unification and Headquarters' decision as to whether a CAPSTAN military section is operationally necessary.
- b. Flans have been discussed with CAPSTAN for an "information-propaganda" section. The discussions proceeded to the extent that CAPSTAN has submitted a proposed budget for this section to us. However, further action concerning organization of this section is being held in abeyance, since information received from Headquarters indicates that support of CAPSTAN itself is not assured in the event the above-mentioned inification conferences with ______ are not successful.
- 4. Activities Period 1 December 1951-30 April 1952.
- a. Several meetings with the political figures of CAPSTAN were held, with the primary points of discussion at these meetings the military section and the information-propaganda section mentioned above.
- c. The _____ is dormant pending ascertainment of whether we can cut into the letter channel through the ______]complex (BOB seems to be unable to assist us in this matter at the present time).
- d. The has not obtained the transfer to Frankfurt-on-the-Oder he desires.

 However, he has submitted a report containing information regarding the routes, controls, etc., on freight train runs from East Germany to Poland and from Poland to the Polish-East Prussian border. This report is being translated and will be

forwarded to Headquarters soon. It is tentatively planned to meet with again in Berlin in the latter part of May to further debrief him of operational intelligence he may have regarding Lithuania and to discuss his plan to penetrate Lithuania.

e. The past several weeks have found



- Communications. After a lapse of about four months, g. Continued field again commenced traffic. The cryptographic challenged was again given but field failed to respend "clean." In view of this, and of the content of the traffic, we still believe that field is controlled. We will attempt to keep the Itraffic link active as long as we can for the following purposes:
- (1) To obtain any operational and/or positive intelligence field's controllers will be willing to pass on in response to our queries.
- (2) To goad field into making the same sort of attacks on (et al that BROADWAY's Lithuanian station has been making on CAPSTAN. This might serve as a lever for joint Baltic operations with BROADWAY.
- (3) Possibly, to mount a notional deception operation in order to provide cover for actual CAPSTAN dispatch in Fall of 1952 or Spring of 1953.
- h. Operational clearance was requested for 7who was being considered for employment as translator of repatriate reports submitted by CAPSTAN. Instructed the 7 in English. The possibility Pending clearance training with the , and a knowexisted at that time of the ledge of elementary English was considered necessary.
- i. On February 12 the left Munich for New York under the auspices of VLIK. It was planned to utilize the February 16 holiday to initiate a propaganda tour of the Lithuanian communities in the US. This tour is still in progress with the Tappearing recently in Philadelphia and other seaboard cities.
- j. Clearance was requested for \in January who was being considered for employment as interregator of German repatriates from the Baltic. Upon receipt of clearance 🛴 Jleft for a trip through northern Germany with two members of the MLT (Mazosios Lietuvos Taryba-Lithuania Minor Council), is also a member, for a survey of MLT branches in that area. of which (7 is to utilize this opportunity to meet chiefs of MLT branches as well as heads of various organizations in order to orient himself as to the best

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possibilities of initiating a repatriate interrogation program. He will later return to interrogate prospective repatriates under cover of MLT. reports that a shipment of German repatriates from the Baltic area is expected in May or June. Is also exploring the possibilities of monitoring the Baltic stations from Germany.

- 5. Nothing to report.
- 6. Nothing to report.
- 7. Nothing to report.
- 8. Nothing to report.